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Canada. Secretary of State,
Dept.of the
Canada-Ontario St.Lawrence
Agreement ... 11th day of
July,A.D.1932 ...

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Canada-Ontario
St. Lawrence Agreement

Agreement made the 11th day of July, A.D. 1932,
Between the Dominion of Canada and the Province
of Ontario, Concerning the Development of
Power in the International Rapids Section
of the St. Lawrence River.

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Agreement made this eleventh day of July, A.D. 1932,

BETWEEN

The DOMINION OF CANADA, herein represented by the Right Honourable RICHARD BEDFORD BENNETT, Prime Minister and President of the Privy Council of Canada and the Honourable CHARLES HAZLITT CAHAN, Secretary of State of Canada, and hereinafter referred to as "Canada"

of the First Part,

AND

The PROVINCE OF ONTARIO, herein represented by the Honourable GEORGE STEWART HENRY, Prime Minister and President of the Executive Council of Ontario, and the Honourable GEORGE HOLMES CHALLIES, Provincial Secretary of Ontario, and hereinafter referred to as "Ontario"

of the Second Part,

WHEREAS a treaty is now in process of negotiation between His Majesty, in respect of the Dominion of Canada, and the United States of America, for the purpose of ensuring the completion of a deep waterway through the Great Lakes and the St. Lawrence River to the Sea, and

WHEREAS, under the terms of the proposed treaty, arrangements are being made by Canada for the construction of certain works in the international rapids section of the St. Lawrence River, through which runs the international boundary between Canada and the United States of America, some of which will be used solely for navigation, hereinafter referred to as the navigation works, some of which will be used solely for the development of power, hereinafter referred to as the power works, and some of which will be used, in common, both for navigation and for the development of power, hereinafter referred to as the common works, and

WHEREAS it is intended that the Canadian share of the power developed in the international rapids section aforesaid will be available to Ontario, and

WHEREAS it is desirable that an agreement should be made between Canada and Ontario concerning the apportionment between them of the costs of construction of the works in the international rapids section of the St. Lawrence River aforesaid and concerning the use of the water available for the development of power,

NOW THEREFORE THIS AGREEMENT WITNESSETH:

ARTICLE I

Canada, in the event of such a treaty being concluded between and ratified by both of the High Contracting Parties thereto, and in the event of both the power works and the common works being constructed, agrees to make available to Ontario for the development of power all the Canadian share of the flow of the water in the said international rapids section of the St. Lawrence River, being not less than one-half of the flow of the water therein over and above the quantity which may be required for domestic, sanitary and navigation purposes, and Ontario, in such events, agrees to furnish to Canada at cost such power as may from time to time be required for the operation of the navigation works and for other purposes of navigation in the said international rapids section.

ARTICLE II

Canada and Ontario severally and mutually agree to the following as a basis of apportionment of the costs of works to be constructed in the said international rapids section:—

(*a*) The costs of the navigation works are to be the responsibility of Canada.

(*b*) The costs of the designing, the construction and the installation of the power house superstructures, turbines and electric and other equipment of the power houses that may be erected on the Canadian side of the international boundary at Crysler Island and Barnhart Island, respectively, are to be the responsibility of Ontario.

(*c*) Canada assumes responsibility for the construction of the power house substructures and other power works set forth in Schedule A, to this Agreement, and the costs thereof are to be paid by Ontario to Canada.

(*d*) The costs of the common works are to be divided so as to apportion the joint saving accruing from the construction of the navigation, common and power works as a co-ordinated navigation and power project.

ARTICLE III

In order to give effect to Article II of this Agreement, Canada and Ontario mutually agree that the payments to be made by Ontario to Canada in respect of Ontario's apportioned share of the costs of the works to be constructed in the said international rapids section shall be made in accordance with the following provisions which finally settle the amounts and terms of such payments and conclude the apportionment of costs set forth in Clauses (*c*) and (*d*) of Article II of this Agreement:—

(*a*) Ontario agrees, subject as hereinafter mentioned, to pay to Canada, in respect of the costs of the works apportioned under the provisions of Clauses (*c*) and (*d*) of Article II of this Agreement, the sum of twenty-seven million one hundred and fifteen thousand seven hundred dollars ($27,115,700) on November first of the year 1938, in respect to the upper power development at Crysler Island; and the sum of thirty-five million eight hundred and forty-six thousand eight hundred dollars ($35,846,800) on November first of the year 1941, in respect to the lower power development at Barnhart Island.

(*b*) In the event of arrangements being made by Canada for the financing and construction of certain of the power works (that is to say those deferred works necessary to complete the power house substructures, as referred to in Paragraph 3 of Schedule A to this Agreement, the estimated cost of which is two million six hundred and seventy-seven thousand five hundred dollars ($2,677,500)), and in the event that such deferred works are constructed as and when they are required by Ontario, Ontario also agrees to pay to Canada additional amounts being the actual costs of such works, as and when they are constructed.

(*c*) In the event of arrangements being made by Canada for the financing of the costs of the engineering services, for which Ontario is responsible under Article VI of this Agreement, in respect of the power works referred to in Clause (*c*) of Article II and Clause (*b*) of Article III of this Agreement, the estimated total cost of which is one million five hundred and sixty-two thousand five hundred dollars ($1,562,500), Ontario also agrees to pay to Canada additional amounts equivalent to the actual cost of such engineering services, as and when incurred. These payments are subject to be postponed in accordance with the provisions of Clause (*d*) of Article III of this Agreement, and shall not carry interest during postponement.

(*d*) Canada agrees that the payment of twenty-seven million one hundred and fifteen thousand seven hundred dollars ($27,115,700) to be made by Ontario as provided for by Clause (*a*) of Article III of this Agreement, in respect to the works therein referred to, may be postponed by Ontario until November 1, 1942; or, in the event that such works have not been completed in such manner as to permit of power being produced by Ontario therefrom prior to November 1, 1941, the said payment to be made by Ontario may be postponed until the expiration of one year after completion as aforesaid; provided, however, that such payment of twenty-seven million one hundred and fifteen thousand seven hundred dollars ($27,115,700) shall be paid by Ontario to Canada at such earlier date as Ontario may commence its initial delivery of power for sale, other than to Canada, from such works at Crysler Island.

Canada also agrees that the payment of thirty-five million eight hundred and forty-six thousand eight hundred dollars ($35,846,800) to be made by Ontario as provided for by Clause (*a*) of Article III of this Agreement, in respect of the works therein referred to may be postponed by Ontario until three years after the payment of $27,115,700 becomes due and payable by Ontario as provided in the preceding paragraph of this clause, or until one year after such works in the lower power development at Barnhart Island shall have been completed in such manner as to permit of power being produced by Ontario therefrom, whichever period is later; provided that such payment of $35,846,800 shall be paid by Ontario to Canada as at such earlier date as Ontario may commence its initial delivery of power for sale other than to Canada from such works at Barnhart Island.

Canada also agrees that no postponement authorized by the provisions of this Article shall render Ontario liable for interest during the authorized period of postponement.

ARTICLE IV

Upon completion of the payments to be made by Ontario to Canada under the provisions of Article III of this Agreement, Ontario shall be deemed to be the owner of the power works on the Canadian side of the said international boundary and of the Canadian share of the power in the said international rapids section, and shall also be deemed to have, solely for power purposes, the perpetual right to the use in common with Canada of the common works constructed in the said international rapids section, and, upon the completion of the said payments, Canada will, at the request of Ontario, execute a declaration of trust, whereby Canada will assure to Ontario such rights, in respect to the Canadian share of the power in the said international rapids section, in respect to the power works and the land upon which the same may have been constructed and also in respect to the common works as are hereinbefore more specifically set forth.

ARTICLE V

Canada agrees:—

(*a*) To provide for the appointment of a representative or representatives, recommended by Ontario, on any board or commission set up for the design, construction or operation of the power works and the common works.

(*b*) To make arrangements for the appointment of a representative or representatives, approved by Ontario, on any engineering staff responsible to any such board or commission for the design, construction or operation of such works.

ARTICLE VI

Ontario shall provide and be responsible for the design of all power works on the Canadian side of the international boundary, and its approval is to be required as to the stability and suitability of all works necessary for the development of power and Canada shall be responsible for the design of all navigation and common works and its approval is to be required as to the stability and suitability of all power structures and as to the provision for the passage and for the regulation of water through all power structures.

ARTICLE VII

In respect to the works on the Canadian side of the international boundary, Canada and Ontario agree that Canada will, at its own cost, maintain and operate the works in the said international rapids section to the dates upon which Ontario commences its initial delivery of power from the power developments at Crysler Island and Barnhart Island respectively; and that from such respective dates Canada, at its own cost, will maintain and operate the navigation works; Ontario from such respective dates, at its own cost, will maintain and operate the power works at Crysler Island and Barnhart Island, respectively; and Canada, from such respective dates, will maintain and operate the common works, the cost of such maintenance and operation of the common works to be shared equally by Canada and Ontario.

ARTICLE VIII

In the interests of navigation in the Great Lakes and St. Lawrence River, and in the interests of power development in the St. Mary's River (between Lakes Superior and Huron), in the Niagara River and in the St. Lawrence River, in both the Canadian and the international sections, Canada and Ontario mutually agree that the waters of the Ogoki River may be diverted into the St. Lawrence water-shed, but subject to the following terms and conditions:—

(*a*) The diversion may be made at a date to be mutually agreed upon and in that event, the cost of the diversion to the point of outlet from Lake Nipigon is to be borne equally by Canada and Ontario, provided, however, that in no case shall Canada's share exceed $1,500,000.

(*b*) The diversion may be made at the option of either party at any time after the Canadian share of the power made available from the said international rapids section has been sold or otherwise disposed of and, in that event, the same apportionment of costs shall be made as in Clause (*a*) of this Article.

(*c*) The diversion may be made at the option of Canada at any date preceding the completion of such sale or disposal, in the interests of navigation, and in that event the same apportionment of costs shall be made as in Clause (*a*) of this Article, but Canada will reimburse to Ontario the fixed and operating charges in respect to Ontario's share of the cost of the diversion up to the date of such sale or disposal.

(*d*) The cost of maintenance and operation of the works providing for the diversion aforesaid, shall be shared equally by Canada and Ontario.

(*e*) Ontario shall have the right to the use of waters equivalent in quantity to the waters so diverted (approximately 4,000 c.f.s.) for the development of power from the point of diversion to the easterly end of the said international rapids section.

ARTICLE IX

Ontario agrees to do all things reasonably necessary to expedite the production of power under this Agreement, and, pending the completion of the power works in such manner as to permit of power being produced by Ontario therefrom, not to make, nor to authorize or permit the making, by any agency subject in such respect to Ontario, of any other or additional contracts for the purchase of power and not to construct or to authorize or permit the construction, by any agency subject in such respect to Ontario, of other works not already under construction for the development of power in excess of the quantity of power which may be necessary for the supply of the reasonable requirements of Ontario.

ARTICLE X

This Agreement is made subject to its approval by the Parliament of Canada and by the Legislature of the Province of Ontario. If, however, the said treaty has not been concluded between and ratified by the High Contracting Parties thereto within three years from the date of this Agreement, either party hereto may, notwithstanding such approval, on notice to the other, cancel this Agreement.

In Witness Whereof the Right Honourable Richard Bedford Bennett, Prime Minister and President of the Privy Council of Canada, and the Honourable Charles Hazlitt Cahan, Secretary of State of Canada, have hereunto set their hands on behalf of the Dominion of Canada and the Honourable George Stewart Henry, Prime Minister and President of the Executive Council of Ontario, and the Honourable George Holmes Challies, Provincial Secretary of Ontario, have hereunto set their hands on behalf of the Province of Ontario both upon the eleventh day of July, in the Year of Our Lord one thousand nine hundred and thirty-two.

Signed on behalf of the Dominion of Canada by the Right Honourable Richard Bedford Bennett, Prime Minister and President of the Privy Council of Canada, and the Honourable Charles Hazlitt Cahan, Secretary of State of Canada, in the presence of

John E. Read.

R. B. BENNETT.
C. H. CAHAN.

Signed on behalf of the Province of Ontario by The Honourable George Stewart Henry, Prime Minister and President of the Executive Council of Ontario, and the Honourable George Holmes Challies, Provincial Secretary of Ontario, in the presence of

Strachan Johnston.

GEO. S. HENRY.
GEO. H. CHALLIES.

SCHEDULE A

TO THE

CANADA-ONTARIO ST. LAWRENCE AGREEMENT

(Reference should be made to Clause (c) of Article II, Clauses (a) and (b) of Article III and Article VI of this Agreement)

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1. The power house substructures and other power works referred to in Clause (*c*) of Article II of this Agreement shall comprise generally all excavation, disposal and fill, unwatering, ice sluices, embankments, railway and roadway connections incidental to the power development, and the construction of the power house substructures up to the elevation specified hereunder for the Crysler Island and Barnhart Island Developments. The power house substructures which are to be constructed according to the design provided for in Article VI of this Agreement, ready for the installation of equipment, shall include headworks, intakes, water passages, draft tubes, tailrace piers and deck, gates, racks, unwatering gates and all gate operating equipment, and shall be of sufficient dimensions to accommodate all equipment and apparatus, including transformers, and provide the necessary space for assembly, operation and maintenance. The substructures shall also include all covers for openings, railings, gratings, ladders, drains, piping conduit and material, connected therewith, or incidental thereto.

2. The portions of the power house substructures, the payment for which is provided for in Clause (*a*) of Article III of this Agreement, shall be as described in the first paragraph of this Schedule, sufficient voids being left at the top of the draft tubes and in the turbine and generator pits to permit of the installation and anchorage of the turbine and generator parts, and the floor of the power houses being left at an elevation four feet below finished level so as to permit of the construction of the necessary trenches, pits and openings, and for the installation of the necessary conduit, piping, cables, etc., above that elevation; and the placing of such covers for openings, railings, gratings, ladders, drains, piping, conduit and material, connected therewith or incidental thereto, being deferred as may be necessary to conform to the deferment of the portions of the substructures referred to above.

3. The portions of the power house substructures, the payment for which is provided for in Clause (*b*) of Article III of this Agreement and which are referred to as the deferred works in the same clause, shall be the works which are necessary for the completion of the substructures in accordance with the first paragraph of this Schedule.

R. B. B. G. S. H.

C. H. C. GEO. H. C.

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